

## Message Text

UNCLASSIFIED

PAGE 01 STATE 016438

17

ORIGIN XMB-04

INFO OCT-01 ARA-10 ISO-00 AID-05 CIAE-00 COME-00 EB-07

FRB-01 INR-07 NSAE-00 RSC-01 TRSE-00 OPIC-06 SP-02

CIEP-02 LAB-04 SIL-01 OMB-01 DODE-00 PA-02 USIA-15

PRS-01 L-02 /072 R

66618

DRAFTED BY XMB AMOHANIAN/PAD

APPROVED BY EB/OCA/REP:JBRABENS

WARREN W. GLICK, ACTING VICE PRESIDENT

ARA/MEK GFALK

EB/IFD/ODF:BGCROWE

----- 015492

R 232208Z JAN 75

FM SECSTATE WASHDC

TO AMEMBASSY MEXICO

UNCLAS STATE 016438

E.O. 11652: NA

TAGS: APUB, MX

SUBJ: PRESS RELEASE ON EXIMBANK CREDIT TO MEXICO

FOLLOWING IS FINAL TEXT OF EXPORT-IMPORT BANK RELEASE ON THE DIRECT CREDIT OF \$24 MILLION TO MEXICANA DE COBRE S.A. RELEASE IS SCHEDULED FOR

ANNOUNCEMENT HERE IN WASHINGTON, D.C. FOR A.M. PAPERS, TUESDAY, FEBRUARY 4, 1975.

QUOTE: EXIMBANK CREDIT OF \$24 MILLION HELPS FINANCE \$80 MILLION SALE OF U.S. MINING EQUIPMENT TO MEXICO

TO SUPPORT AN \$80 MILLION SALE OF U.S. EQUIPMENT, RELATED MATERIALS AND SERVICES REQUIRED FOR THE CONSTRUCTION IN MEXICO OF AN OPEN PIT MINE, MILL, SMELTER, REFINERY, AND INFRASTRUCTURE TO PROCESS 60,000 METRIC TONS OF ORE PER DAY, THE BOARD OF DIRECTORS OF THE EXPORT-  
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 016438

IMPORT BANK OF THE UNITED STATES HAS AUTHORIZED A DIRECT CREDIT

OF \$24 MILLION TO FINANCE 30 PERCENT OF THE TOTAL U.S. COSTS, ACCORDING TO EXIMBANK'S CHAIRMAN WILLIAM J. CASEY. A CREDIT OF \$48 MILLION FROM PRIVATE SOURCES NOT YET DESIGNATED WILL COVER 60 PERCENT OF THE U.S. COSTS. THE OBLIGOR, MEXICANA DE COBRE S.A. WILL MAKE CASH PAYMENT OF THE BALANCE OF THE U.S. COSTS OF 10 PERCENT OR \$80 MILLION.

THE PROJECT IS FOR THE DEVELOPMENT OF THE LA CARIDAD COPPER DEPOSIT LOCATED NEAR NACOA, SONORA, MEXICO. THE PRODUCTION OF 145,000 METRIC TONS PER YEAR OF WIRE BARS IS EXPECTED. U.S. PURCHASES WILL INCLUDE MINING, MILLING, SMELTING, AND REFINING EQUIPMENT CONSISTING OF TRUCKS, DRILLS, DIESEL-ELECTRIC GENERATORS, SHOVELS, CRANES, MOTOR GRADERS, TRACTORS, SCRAPERS, LOADERS, APRON FEEDERS, CRUSHERS, BALL MILLS, CLASSIFIER CYCLONES, FLOTATION CELLS, SAMPLERS, THICKENERS, DRUM FILTERS, ROTARY DRYER, ROASTER, MATTE PLUG MACHINE, CONVERTERS, ANODE CASTING MACHINE, ELECTROLYTIC HEATERS, FORK LIFT TRUCKS, ANODE SPACER MACHINES, CATHODE WASHING MACHINES, CATHODE STARTER SHEET FACILITIES, CATHODE CASTING MACHINE, BOILERS, AND POWER GENERATION EQUIPMENT. U.S. SUPPLIERS

HAVE NOT YET BEEN FIRMLY DESIGNATED.

THE LOAN ARE TO BE REPAID IN 12 SEMI-ANNUAL INSTALLMENTS BEGINNING AUGUST 10, 1978. EXIMBANK'S DIRECT CREDIT OF \$24 MILLION WILL BE REPAID OUT OF THE LAST 4 INSTALLMENTS AT AN ANNUAL INTEREST RATE OF 8 1/2 PERCENT PER ANNUM, WHICH WHEN BLENDED WITH THE PORTION OF THE CREDIT FROM PRIVATE SOURCES RESULTS IN AN ESTIMATED INTEREST COST TO THE BORROWER, BASED ON CURRENT RATES, OF ABOUT 9.8 PERCENT TO 10 PERCENT PER ANNUM. REPAYMENT OF EXIMBANK'S LOAN IS TO BE GUARANTEED BY NACIONAL FINANCIERA, S.A. UNQUOTE INGERSOLL

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 23 JAN 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975STATE016438  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** PAD  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750026-0921  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750125/aaaaawdi.tel  
**Line Count:** 90  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN XMB  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** KelleyW0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 09 MAY 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <09 MAY 2003 by SilvaL0>; APPROVED <18 FEB 2004 by KelleyW0>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** PRESS RELEASE ON EXIMBANK CREDIT TO MEXICO FOLLOWING IS FINAL TEXT OF EXPORT-IMPORT BANK RELEASE ON THE DIRECT  
**TAGS:** APUB, MX  
**To:** MEXICO  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006